

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6422**

**BILL NUMBER:** SB 181

**NOTE PREPARED:** Dec 6, 2004

**BILL AMENDED:**

**SUBJECT:** Environmental Assessment Before Demolition.

**FIRST AUTHOR:** Sen. Lanane

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** The bill requires the owner of a Class 1 structure (other than a publicly owned structure) to have an environmental assessment of the structure done before demolition and to report the results to the municipality or county in which the structure is located.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** This bill allows rules to be adopted to establish a standard similar to the Standard Practice for Environmental Site Assessments: Phase 1 Environmental Site Assessment Process. According to the Department of Environmental Management (IDEM), any costs related to the rule adoption process should be covered by the Department's existing resources.

*Background:* Currently, an inspection for asbestos must be conducted and IDEM notified before a building, other than a residence, may be demolished or renovated. This bill does not require local entities receiving environmental assessment reports to notify IDEM of assessment results.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Municipalities and counties would likely experience an increase in administrative costs due to filing environmental assessment reports. This bill does not specifically provide for a municipality or county who receives such assessment reports to charge a filing fee to offset such costs.

**Explanation of Local Revenues:**

**State Agencies Affected:** IDEM.

**Local Agencies Affected:** Municipalities and counties.

**Information Sources:** Wendy Hoffspiegel, IDEM.

**Fiscal Analyst:** Valerie Ruda, 317-232-9867.